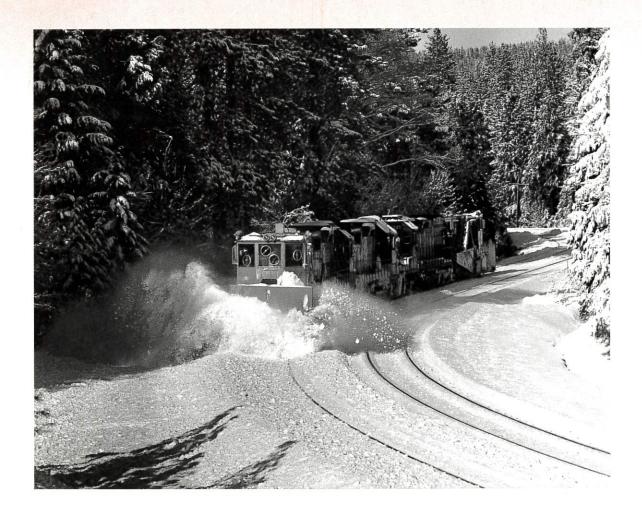
Bulletin

Lines

An SP spreader clears snow off the track high in the Sierra Nevada.

A midwinter series of storms kept crews busy day and night in the area, where annual snowfall has been known to exceed 800 inches. The story begins on page 8.



Dear SP Employee,

wo articles in this issue of the *Bulletin* point up one of our company's greatest strengths, and one of the principal reasons we have been able to greatly improve our position in the railroad industry. The reason is the good relationship between SP and our labor unions.

Labor's cooperation was instrumental in construction of **our new fueling facility** in El Paso (p. 5), which straddles union jurisdictional lines. And the dedication of many union members and officers is helping to establish a meaningful SP safety program (p. 2).

The cornerstone of these good labor/management relations has been the contracts most of our unions accepted to help keep SP going, when it was obvious the company couldn't match the national pattern. But a lot more has been built on that cornerstone as well.

We are fortunate to have some very knowledgeable and far thinking labor leaders, and to have many union members who are contributing their ideas and skills to helping SP turn around. Union people make up **some of the best** quality improvement teams we have.

The essence of our labor/management relationship is simply treating each other with respect and **communicating openly** and frankly. For example, at the Leadership Conference back in December, the attendees were senior company officials <u>and</u> general chairmen.

We hold regional labor/management meetings on a quarterly basis, where all our unions have the opportunity to participate. The purpose is to keep labor advised on what the company is doing, to get the **feedback of union people** on particular issues, and to discuss how labor and management can jointly address those issues. These meetings have been going on for more than a year. The Mechanical and Engineering departments have their own quarterly meetings and recently the Dispatchers arranged to have their own meetings in Denver. This process is now being taken to the local level with joint labor/management committees, which are now beginning to focus on safety.

All this activity is geared to maintaining open and frequent communication between labor and management, to talking together and **working together for the common good**. Since we all work for the same company, it's in our best interest to make it a healthy one.

Something that happened at a Denver meeting last summer illustrates the latter point: A union representative from Pine Bluff had gotten a complaint from a customer about a specific problem, so he brought it up at the meeting. Without hesitation, one of the executives left the room, went to the Customer Service Center a couple of floors away, and brought back a staff member who got details and went to work on the problem immediately.

It is important for SP management to talk frequently with labor leaders so we can find out about and address issues of interest, before they become major problems. We want to keep labor informed so those leaders can in turn keep their members informed and up-to-date with **correct information**, particularly when rumors may be flying, which is so often the case in the rail industry.

The person largely responsible for development of our labor/management communication effort is **Mary Powell** of our Quality Department. Mary successfully brought New York City's unions together in a productive dialogue with former Mayor Ed Koch's administration, a move that proved beneficial to both sides. This was **no small task** in our largest city, where problems existed along with an adversarial relationship between the two sides. The success achieved is a credit to Mary's considerable skill and knowledge.

From what we've seen so far, such a dialogue also seems to be a **beneficial course** for both labor and management to follow at SP.

Philip Anschutz Chairman

Southern Pacific Bulletin

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Southern Pacific Lines' mission is to anticipate and satisfy the requirements of its customers for highly responsive and costeffective transportation and distribution services.

INTERVIEW with Dennis Jacobson

"C ustomer complaints are good news," says Dennis Jacobson.

That might seem like a rather strange statement from the man responsible for keeping Southern Pacific's customers happy, but there is sound reasoning behind it.

"If you resolve their problem quickly, even customers who complain will use your services again," said Jacobson, Vice President-Customer Service and Director of the Customer Service Center in Denver. "But if they don't complain at all, you have little chance of keeping them. So you want to know if customers are not happy."

"TREAT EVERY

CUSTOMER

THE WAY YOU

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IF YOU

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YOU'LL

SELDOM GO

WRONG."

He cited data from the U.S. Department of Consumer Affairs to show that in customer service, silence isn't golden – it just usually means goodbye:

"They did a survey of customers whose problems cost them more than \$100, and found that only 9 percent of those who don't complain will ever buy from the offending company again. Of those who do complain but get no problem resolution, 19 percent will come back.

"However, of complaining customers who get a resolution, 54 percent will return, and if the problem is solved quickly, the figure rises to 82 percent. Therefore, you want people to express their feelings – because you don't have a prayer of keeping them if they don't. Then, of course, you want to fix their problem fast."

SP's crusade for top-flight customer service began when the company hired Jacobson in June, 1991. He had been general director of Union Pacific's Customer Service Operations, which was the envy of the industry.

The Customer Service Center opened in August, 1991, to give

customers information and help with problems, all with just one quickly-answered phone call on a 24-hour-a-day basis.

The center has a staff of 151 people, 90 of whom are assigned to seven product teams: Automotive/Mexico, Metals/Minerals, Food and Agricultural Products, Intermodal, Forest Products, Petrochemicals, and Clearance Services. They speak the customer's language because SP trains them to know the business they deal with, the only railroad to do so.

The CSC measures its performance through the company's quarterly customer satisfaction surveys and, "We're pleased with the progress we have made," Jacobson said.

"For example, in the fourth quarter of 1991, 40 percent of our customers were satisfied with the problem resolution process; a year later, 49 percent were satisfied. That represents an increase of more than 20 percent."

Customer satisfaction also has grown in the categories of phone answering, shipment tracing, freight claims, damage prevention and electronic data interchange (EDI). "All this reflects the hard work and professionalism of those in customer service."

The center gets a lot of phone calls – more than 45,000 in December alone – and more than 90 percent of the calls are answered in 10 seconds or less, Jacobson said.

Customer Service is a partner with, and relies heavily on, the Transportation Service Center and Field Operations, he emphasized. "We take part in Operations' morning meetings and advise them on special customer needs."

The requirements and expectations of customers have changed drastically since Jacobson started with SP in 1972.

"Customers are much less tolerant; they want information and problem resolution quickly. And because of the fierce competition in surface transportation, resulting from deregulation, they don't have to put up with anything less."



Dennis JacobsonVice President-Customer Service

In turn, railroads are responding with greater and more sophisticated customer service efforts, as well as communicating more with customers, as through the customer surveys.

As SP's customer service leader, what advice does Jacobson have for the rest of us in dealing with customers? "I would say, just follow the Golden Rule - treat every customer the way you want to be treated. Generally, the best customer service people, whether at the CSC, in the yards, on the trains or wherever, have that philosophy. They don't tell a customer, 'that's not my job.' They say, 'let me help.' If you do that, you'll seldom go wrong."

SAFETY PUSH IS PAYING OFF



Director of Safety Lawson McDowell, right, visits with machinists Jack Henstra, left, and Pol Kolitsos at Burnham shops in Denver

"This time, it looks like they really mean it."

That's how one longtime Southern Pacific railroader views the company safety campaign launched last spring. Many others say the same thing.

An improved injury record and the attitudes of SP people demonstrate a renewed sense of safety across the system, said Director of Safety Lawson McDowell.

"Now, safety really does come first," he said. "The 1993 safety program provides a basic structure for all departments to follow and customize to their specific needs."

Many had their doubts. "I was very skeptical about it at first," said Dan Theriac, a switchman at Pine Bluff. "I've been here 26 years and I've seen safety preached before but nobody ever did anything. Glenn Michael seems to have changed that. Now, we're serious about it."

Safety statistics show progress: In November, roughly six months after the safety push began, there were 99 incidents, compared with 136 in October and 185 in May. December was even better, with 91 injuries, making November/December the safest months on the railroad in three years. "There's definitely a trend," McDowell commented. "You don't get two fluke months in a row."

For 1992 as a whole, there were 1,734 incidents, down from 1,747 the year before. The goal this year is to reduce the number of injuries by 25 percent, to 1,300.

When the safety drive was initiated last spring by Vice President-Operations Michael, it also had a new organization: McDowell, as system director of safety, and five regional safety officers, plus a 4-level program of regular safety meetings for the Transportation, Mechanical and Engineering departments. The levels involve representatives of all ranks, from top department officers to individual employees, with day-to-day guidance and action by local safety committees.

When the program began, recalls Cindy Biggs, "most people figured it would last three months and be forgotten." After being selected as the Midwest Region's manager of safety, she had to do some hard selling, but gradually people started to come around.

"We took local committee members to a Level 1 meeting, and they were amazed at top management's sincerity," said Biggs, former manager of field operations at East St. Louis. "That sort of reaction makes us believe that this time it's going to work."

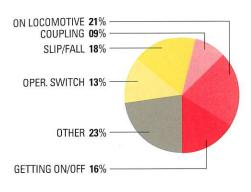
One of the most outspoken skeptics was Theriac, a 26-year SP veteran and UTU officer who says previous short-lived safety campaigns only made him cynical about the whole business.

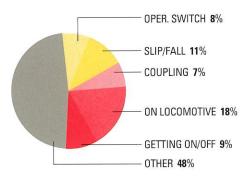
The Pine Bluff Safety Committee's membership includes all crafts and management/labor representatives. Shown, from left, are Conductor Ken Hartsfield, Roadmaster M.L.Drake, Lead Electrician-Utility Larry Miller, Engineer S.R. Rice, Clerk T.P. Bradshaw, Yard Foreman Woody Castleberry, Engineer Jerry Norton; Assistant Manager of Field Operations Christopher Peach, Manager of Field Operations Charles Alexander (at head of table); Track Inspector E.W. Lindsey, Yard Foreman Oscar Hicks, conductor J.T. Matthews, District Engineer Bill Reinhardt, Yard Foreman Dan Theriac, R.L. Tackett, Mechanical-A&WE, and Conductor J.C. Tooke. Not pictured: Engineer Don Puckett and General Foreman/Locomotives John Johnson.



INJURIES BY CAUSE - TRANSPORTATION

Top five causes





Jan Thru June 1992

July Thru Dec 28, 1992

A major rule change, prohibiting getting on or off moving equipment, was followed by an almost 50 percent reduction in injuries from that practice.

"What changed me was the yard clean-up program," he said. "I refused to take part in the first one, but then I saw what might be done, so I got involved the next time. Cindy was there and as we walked around picking up trash and debris we talked and argued. She wanted me to serve on a safety committee. I said, no way. But later I decided to give it a try. And in 90 days we accomplished more here in addressing unsafe conditions than we had in 25 years."

"We have actually changed operating policy as a result of reports from crews," Biggs said. "There was a bad-footing situation in the roundhouse, and we cleaned that up. We have switch inspections, and yard clean-ups every other month."

Theriac, who devotes much of his time to the safety committee, and Biggs cite the support of Region General Manager Ron Batory, Manager of Field Operations Charles Alexander, and other officers — and particu-

larly Michael, who made safety SP's No. 1 concern and wants to see us become the safest railroad in the industry.

"We'd been looking at our feet so long, nobody ever inspired us to look up," Biggs commented.

The safety drive has resulted in rules changes, such as prohibiting getting off or on moving equipment, and emphasizes the wearing of eye and ear protection, safe lifting and personal responsibility for a safe workplace.

"SP men and women have been empowered to speak up in the interest of their own safety," McDowell said. "And every time I'm out on the property people tell me how officers have started to listen and respond to safety needs."

"It's just a whole lot safer place than it was a year ago," said Charlie DePriest, who just retired at Phoenix after 42 years as a locomotive engineer. "It's amazing how it changed in the past year."

But McDowell, who peppers the PROFS system with "safety alert" messages to SP people, is far from satisfied. He says: "We want all injuries to end now."

Charlie DePriest, left, accepts a watch and congratulations from southwest Region General Manager Marvin Wells as DePriest retired after 42 years without injury. "I always took pride in my work, and I was always more than just a little careful," said the locomotive engineer after the Phoenix ceremony.

Best '92 Safety Achievements Honored

The top performers in various safety categories were honored last month in the annual System Safety Awards ceremonies at San Francisco. The winners and runners-up were recognized and praised by top executives, including Chairman Phil Anschutz, President Mike Mohan and Vice-President Operations Glenn Michael.

Awards for the lowest injury ratios (reportable accidents per 200,000 man hours) in 1992 went to:

Transportation:

Safest Region: Gulf Coast Recipient, Gen. Mgr. Art Henson	Ratio: 6.35	
Safest Manhour Division: Avondale Recipient, MFO N.J. LeGlue, Lake O	Charles	3.29
Second: SPSCL		3.58
Third: St. Louis		5.05
Most Improved Manhour Division: Sparks Recipient, MFO Doug Waters,	1991	9.97
Salt Lake City	1992	5.12

Engineering:

Safest Engineering Department:		
Utilities Utilities		4.61
Recipient, Manager-Utilities Frank	Bozeman	2
Safest District Territory: Kansas Cit	y	2.95
Recipient, District Engineer Urban	Hilke	
Second: Dalhart		3.40
Third: Sparks		4.24
Most Improved Department:		
Automotive & Work Equipment	1991	8.86
	1992	4.76

Mechanical

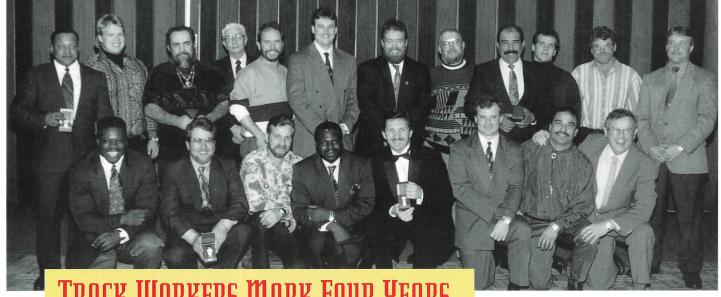
mecnanicai:	
Safest Plant, Div. A: Pine Bluff Locomotive Plant Recipients: Plant Manager Roger Robinson Electrician J.M. Church	6.30
Div. B: Eugene Locomotive Plant Recipients: Plant Manager Howard Carr Fireman/Oiler Daniel Pomeroy	2.82
Safest DMO District, Div. A: Avondale Recipients: Dist. Mech. Officer Carl Garson Carman Donald Champagne	1.6
Second: Sacramento District	1.90
Third: Western District	4.37
Div. B: Salt Lake City Recipients: Dist. Mech. Officer Leland Gurss Carman J.M. Soriano, Sparks	0.00

Most Improved Plant, Div. A:

Los Angeles Locomotive Plant

(33% improvement)

7.88



TRACK WORKERS MARK FOUR YEARS WITHOUT A REPORTABLE INJURY

A Kansas contingent of Engineering Department employees has been free of reportable injuries for years, by taking safety one day at a time.

"That's all you can do," said Track Inspector Todd Plank of the Pratt, Kan., maintenance of way district. "You can't set a long-term goal. Just take it one day at a time with the proper attitude and work as a team. That's how we made it."

They made it four years injury-free as of Jan. 12, and were honored with a banquet at Hutchinson, northern end of the 186-mile district that extends southwest to Liberal. Each of the 25 members of the team received a gold watch, reported Roadmaster C.A. (Beau) Maida.

When he first challenged the workers on safety, Maida said, he offered prizes as a form of recognition. But the idea of working safely all the time, by thinking safely, soon became the only motivating factor.

"It's strictly due to their attitude," Maida said. "If as a supervisor you make it your safety program, it won't work. But if it's their safety program, it will work every time."

Foreman James Lewis agreed, and added that good planning helps. "When you go to a job site, the first thing a foreman should look for

is any potential hazard and, if there is one, call it to everyone's attention. Plan the work and talk about the work plan, to minimize the chance of people getting their wires crossed and saying after an accident, 'Oh, I thought you were doing such and such.'"

Plank offered another suggestion: "If you're out on a job and you go to do something that you're not quite sure about, picture how it would read on an accident report if you were injured: 'I fell off the tractor because of an oily surface and hurt my back.' Maybe it will make you stop and think about avoiding that oily surface or doing something about it."

Welder-helper Earl Iverson called the safety achievement "definitely a team effort, but one in which the individual has to focus on safety every day."

The track crew's performance also well illustrates a statement Vice President-Operations Glenn Michael likes to make: "A safe railroad is an efficient railroad." Last summer, the crew replaced a whopping 55 road crossings between June and October, including 10 at Hutchinson alone, an achievement that drew praise from the mayor and city manager.

"You know, awards and banquets are nice," Maida concluded, "but going home from work healthy is the main thing." Some proud members of the Pratt maintenance of way district are left to right, front row: Earl Iverson, Bruce Vickers, J.D. Evans, James Lewis, C.A. (Beau) Maida, Todd Plank, Salvador Valencia Jr. and Jim Sheahan. Back row: David Smith, Daniel Everhart, Donald Everhart, Don Williams, Scott Sheahan, Tony Shumway, David Warren, Steve Rempe, Tony Esparza, Lonnie Everhart, Lonnie Roe and Cary Brown. Not pictured: Gary Brown, Bernie McBride, Rena Martinez, William Witske and W.E. Cornwell.

An SP Spouse Shares Her Feelings

"When the safety newsletter comes in the mail at our house, I read it out loud to my husband from beginning to end; then we have a discussion about safety," says Mary Lou Zortman, wife of Signal Maintainer Frank Zortman of Gardner, Ill.

"I truly believe safety begins at home with the wife and children. When a husband or father leaves for work he needs to know that all things at home are in order." Otherwise, she noted in a recent safety newsletter, "that employee is leaving himself wide open for injury on the job" because of the distraction of domestic strife. "He needs to be able to give 100 percent to the job and not 40 percent to the job and 60 percent to problems at home."

"We have had our ups and downs like all families but I know I have done my part to keep my husband safe on the job and have taught my children the same," Mary Lou wrote, and concluded with a question for other spouses: "Are you doing your part?"

FACILITY SYMBOLIZES COOPERATION



Fireman/Oiler S.P. Chavez serves up the first tankfull.

Southern Pacific's new fueling facility in El Paso is not only a state-of-the-art technical operation, it's also something of a symbol of labor/management cooperation.

The \$4.2 million station, dedicated Jan. 14, is the principal fueling facility on SP's eastwest main line. It's in the heart of the border city, and right on the border of the railroad's eastern-western lines agreement districts.

"We had to get the help of general chairmen on both sides of the line in order to build the facility," said Frank Bozeman, SP's manager of utilities. "And I can't say enough about how great they were in cooperating to gather the workers for this job. It's really been a good experience." "We had to make a special agreement between the organizations involved, because we had a mingling of crafts and territories," said Fred Lewis, General Chairman, Brotherhood of Maintenance of Way Employees, Eastern Lines. "For instance, we got some water service people (who do piping and tank work) off the Cotton Belt, and B&B people also were involved. It was a good project; we're pretty proud of it."

"This was a first in my experience, and it went very well," commented Bob Douglas of Sacramento, General Chairman for the Brotherhood of Maintenance of Way, Western Lines. "It shows what our members can do, and prevented contracting the work out. Overall, it's a good example of something that benefits both sides."

General Chairman Jack Boothe of the Sheet Metal Workers also helped greatly, Bozeman said. All the union members involved volunteered to travel to El Paso.

Construction, under supervision of Project Manager John Jackson, began in November, 1991, and the job was finished ahead of schedule and under budget, both union and SP officials proudly noted.

The facility features a "double containment" environmental protection system, said Design Engineer Larry Tse.

"We put pans on the tracks to catch spilled fuel, and a liner under the tracks so if any oil does get past the pans it won't contaminate the ground," Tse said. As an additional environmental measure, all piping is above ground.

The two-track facility can fuel 12 locomotives simultaneously and pump up to 1,200 gallons per minute. A two-mile long pipeline carries fuel to two 169,000-gallon storage tanks.

Initially, the facility is expected to pump about 3 million gallons of diesel fuel a month, increasing to 4 million in April when another unit is added.

About 40 trains a day use the line.

The first train into the new fueling facility gets a hearty welcome from SP people.



Stretching for Safety

Chief Mechanical Officer Ron Berry recently authorized all mechanical forces to do stretching exercises before work, as a way to avoid injury. One group that responded enthusiastically was the Avondale, La. Division, which won a system safety award for 1992 and is out to win another one. Doing stretching exercises at the start of a shift "helps loosen everyone up, makes them more alert and ready to start work," said Division Mechanical Officer Carl Garson. "It's also turned out to be a lot of fun for everyone."



Roundhouse Foreman Don Richardson, left, and Car Foreman Russel Pennio lead Avondale exercisers.

Carloadings Show Increase

Carloadings on Southern Pacific climbed to near 2 million in 1992 and volume was up for most commodity groups. Total carloads were 1,994,858 last year, compared with 1,873,410 in 1991, up by 121,448 cars or 6.5 percent.

Food & Agriculture Products showed the largest gain, 9.6

percent, followed by Construction/Minerals, up 9.5 percent, and Chemical/Petroleum, 8.6 percent. Intermodal had the greatest volume with 549,446 carloads, compared with 513,081 in the previous year, a rise of 7.1 percent.

A Pair of "Eagle Eyes"

Switchman
Bruce Holder
of Roseville
has been
honored for scoring a safety double:

He received two Eagle Eye Awards for actions in one month. In the first instance, Holder detected smoke and fire in a van in the intermodal parking area and sounded an alarm; in the second, he spotted a derailed car on a departing train and radioed the crew to stop. Others who received awards for their alertness in detecting a serious condition that possibly avoided a major derailment or accident were:

Special Agent G.N.
Stormer, Eugene;
Engineer E.G.
Alexander,
Roseville;
Track
Laborer
David

Jones, Springfield; Switchmen Tim Harwell and Larry Schweigert, Conductor Leo Romero and Engineer E. Nacim, West Colton; Machinist E.L. Ekmark and Laborer/Driver C.J. Beachum, San Antonio; Electrician G.A. Gerhart, Locomotive Suppleman D.L. Warnberg, Carman E.P. McDonald, Lead Electrician Bob Bos and Signal Maintainer Thomas Meyer, Tucson; Track Foreman N.S. Vasquez, Casa Grande; Carmen J.L. Armstrong and L.W. Hill, Dallas, and Brakeman G.E. Taylor, Switchman P.J. Taylor, Signal Technician R.A. Behrens, Track

Laborer Gilbert
Cantu and
Traveling
Mechanic
Roger Riojas,
Houston.

What Do You Think?

The Bulletin is for SP people and we want you to have a voice in its pages, aside from the Letters section. Therefore, we'd like to hear from you if you have something to say on an issue involving company policies, operations, etc. We're all trying to help the New SP succeed, and open communication is a key part of the quality process we're using. If you'd like to offer some constructive criticism, or share a specific

viewpoint, please write your thoughts down in 500 words or so (about two full doublespaced typed pages) and send it to:

Jack Martin,

Managing Editor, SP Bulletin, 1 Market Plaza, Room 950, San Francisco, CA 94105

All submissions must be signed and include a phone number so we can get back to you.

Commentaries selected will be subject to editing.

ICTF Reaches Out



ICTF employees and guests celebrate the holiday.

Emilio Perez

The folks at SP's Intermodal Container Transfer Facility in Long Beach entertained needy children and their families at a big Christmas party and open house. The employees also collected more than 100 toys for the children, who live in neighborhoods surrounding the facility. Hub Manager Steve Readhead and Councilman Ray Grabinski, plus a bilingual Santa Claus (Conductor Bobby Dominguez) were among those greeting the

guests. "Our people want to begin the tradition of reaching out into the community and becoming good neighbors," said Mike Kimmick, Manager of Personnel, Safety and Quality. After the party, SP supplied vans for volunteers to use in delivering toys to children who couldn't attend. "We are delighted to see Southern Pacific involved in our community," commented Councilman Grabinski.

Midwest Region's "Santa Special"

In another Christmas event, the first "Santa Train" made a 10-day, 10-city tour of terminals on the Midwest Region during December, starting at Pine Bluff and ending at Dalhart, Tex. In addition to children of SP employees, several day care, kindergarten and primary grade school classes visited the train as special guests. Region General Manager Ron Batory initiated the project, which was carried out by SP volunteers. Mechanical forces in Pine Bluff prepared the locomotive, a boxcar full of candy canes and Operation Lifesaver coloring books, and a caboose with a

Christmas tree and chair for Santa. There were even leaping reindeer decorating the engine. Transportation and engineering forces also pitched in on the project, as did special services and safety committees. One of the volunteers was Conductor Camille (Chappy) Chappuis, 29, who was killed a few weeks later in a train accident (see News Briefs, inside back cover). Besides Pine Bluff and Dalhart, the train visited Bloomington, West Quincy, Herington, Jefferson City, Pratt, Kansas City, Ilmo and East St. Louis.



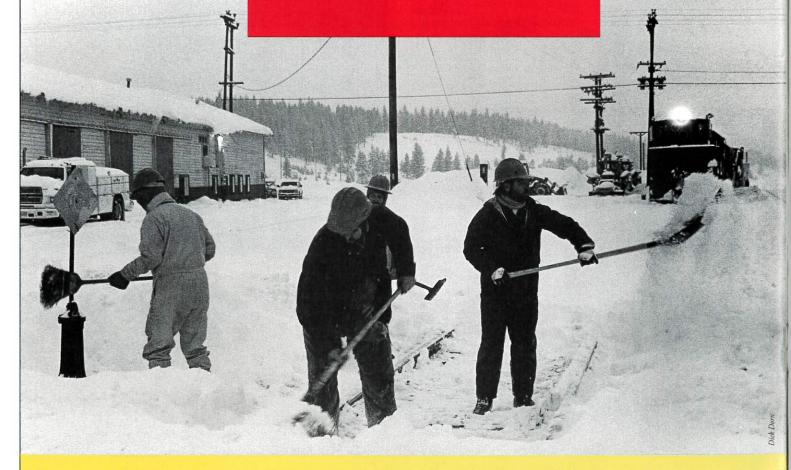
The Santa Special (left) attracted delighted younsters who got to visit Santa in a caboose instead of a sleigh. (Santa is Pine Bluff Switchman J.R. Johnson and his elfin helper is his daughter, Tracy. West Quincy Conductor Gary Vaterlous was relief Santa for a couple of days.)



Photos by Jim Johnson

FIGHTING THE SIERRA SIOU

BY JACK MARTIN



Maintenance of way workers clear the track in the Truckee yard as a spreader prepares to head out (background).

From left are Andy Slayboom, Jack Evans, Julian Carrera and Craig Provancha.

For some on Southern Pacific, snow isn't just a nuisance – it's a menace. As a train passes through a tunnel or narrow cut, packed snow on either side can grab the cutting lever on a freight car and uncouple the train. Snow can build up so high and hard between the rails that the locomotive may climb this "core" like a ramp and derail. Or snow can roar down a mountainside and bury a single railroader or an entire locomotive, as it has done before on SP's line through the Sierra Nevada in Northern California.

In late December and early January, the menace came back to "the mountain" or "the hill" as railroaders call the area between Colfax and Truckee. A series of fierce attacks, the worst in a decade, dumped two to three feet of snow at a time. But SP crews, fighting back with everything from shovels to shotguns, kept trains moving.

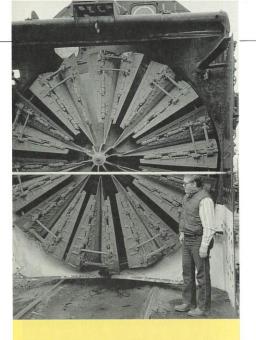
"It started right after Christmas and we battled it all through New Year's," said James (the Bear) Mahon, the Sacramento Division District Engineer who has met the menace in close combat for years and earned an almost legendary status doing so.

By mid-January, snowfall on the mountain since Oct. 1 totaled about 250 inches – with three months of winter still to go. It was shaping up to be a memorable measurement for the season, on the order of the 797 inches that fell in 1982-83, the 741 inches in 1951-52, or maybe even the record 819 inches in 1937-38.

"I've been fighting this battle 30 years," Mahon said, "and this season's snowfall rate is ahead of 1982-83. This winter is challenging because the storms have been so relentless."

Mahon and others – like Roseville Managers of Field Operations Gary Greblo and Gerry Nester, Roadmaster Steve LaVigne at Truckee, and dozens of snow service troops from maintenance of way, engineering and transportation – answer each storm call like fighters rising at the bell. The only difference is they often don't get any rest between rounds.

"Many worked several weeks straight without a day off," commented Larry Phipps, Pacific



SP's Sierra field commanders in the snow battle were District Engineer Jim Mahon, center in the photo below, and Managers of Field Operations Gary Greblo, left, and Gerry Nester, shown with a flanger. Above, Mahon looks over a rotary plow in the Roseville yard.



Region General Manager. "They have just performed magnificently, working around the clock at times."

And it's teamwork, "everyone working together," that gets the job done, Mahon emphasized.

The mountain wasn't the only area hit hard. Up to four feet of snow fell on the SP line from Dunsmuir in Northern California to Eugene, Ore. in late December. Among the snow-fighters in that area is Shasta District Engineer Gary Mahon – the Bear's brother.

But it's the Sierra storms that pose the most frequent challenge. They isolate towns and close major roads, like Interstate 80 and U.S. Highway 50, as they did recently, stranding

thousands of trucks and cars; their occupants could only look enviously at Amtrak and freight trains rolling along nearby.

SP's arsenal of snow-fighting weapons includes spreaders, flangers, ballast regulators and bull-dozers, plus shovels and brooms to clean switches and crossings. The crews even use shotguns, to blast dangerous icicles from tunnel ceilings. The big guns – rotary plows – are held in reserve until the most critical need brings them out. Four rotaries are stationed at Roseville, two at Sparks and one at Eugene.

"Flangers and spreaders can handle things for the most part," said Greblo. "It's only when you get snowbanks along the track that are too high, and you have no place to push more snow, that you use the rotaries. They can throw the snow 100 feet or more."

The flanger, pulled by two locomotives, plows snow and ice from between the rails to keep wheels and air hoses clear, Greblo said. "If a core of snow is allowed to build up between the rails, it can 'high center' an engine and lift the wheels right off the track."

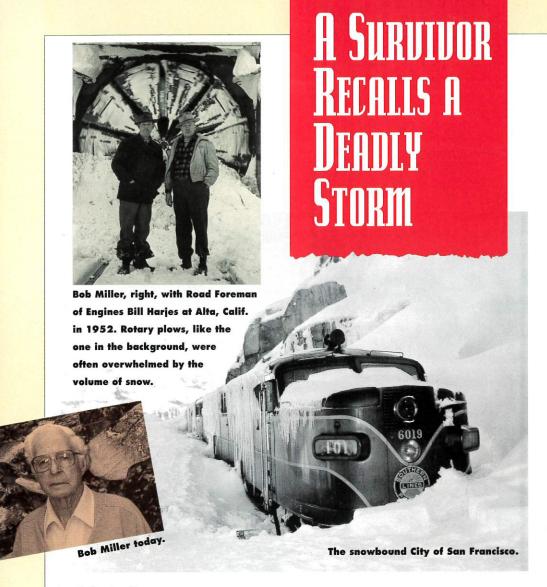
The spreader, a plow with large metal "wings" that's pushed by a locomotive, can clear a path 48 feet wide with both wings extended fully, Nester said. When the track follows the side of a mountain, one spreader will push snow off the track, then a second will come along and dump the mass into the adjacent canyon.

Mahon is "the best wing man you'll ever see," Nester said, describing "the Bear's" deft touch in manipulating the massive pieces of metal.

"You have to have a feel for the machine," Mahon shrugged. "I've been doing this for so long, you get to know if you can move some snow or not; you listen to the locomotive and if it starts to strain, you lighten the load."

With several months of winter facing them, SP's snow fighters don't look for a much lighter load, except for Nester. After 40 years of service, he was scheduled to retire Feb. 28 – the very height of the snow season.

Recalling the Big Blizzard of '52▶



It killed a locomotive engineer, injured several other railroaders, stranded a passenger train and stopped rotary plows cold.

One of the most vicious storms in Sierra Nevada history hit early in 1952, and for several sleepless days Robert Miller and many Southern Pacific comrades fought it. Finally, Miller literally dropped in his tracks.

Today, the trim and erect Miller, 80, retired and living in Roseville, vividly recalls the experience. A report he wrote shortly after the event also offers a fascinating look at how SP people coped with the crisis.

On Jan. 10, there was already 116 inches of snow on the ground at Norden, Calif., but the railroad "was in excellent condition and there was no indication of a storm," remembers Miller, who was Assistant Superintendent of the Sacramento Division at the time. (He later became Superintendent and retired in

1975 as Assistant to the Vice President-System Operations).

By early Friday, Jan. 11, snow started falling again and the wind came up. By the morning of Jan. 12, snow depth had reached 161 inches and "the danger of slides was growing by the hour," Miller wrote.

After working for 36 hours straight, he finally got to bed shortly after 10 a.m. Just about that time a tremendous snow slide roared down on a train just west of Troy, burying two locomotives. Miller went out with the rescue party. "The windows on (the lead unit) were pushed in and the cab was completely packed with snow," he said. "I didn't see how anybody could have survived, but they did and we dug them out. Three men were cut by glass and another had a hip injury."

The next day, Train 101, the westbound City of San Francisco with 196 passengers, got

stuck near Crystal Lake. (Snowfall now totaled 200 inches). The train was to remain stranded for three days. SP employees helped to ease the passengers' plight as best they could, even taking down window curtains so people could use them to wrap their feet and legs against the bitter cold.

"The sky had a leaden cast and a feeling of impending disaster seemed to permeate the atmosphere," Miller wrote of that day. About 4 p.m., he took two light engines and went to the stuck train. A rotary plow had been placed behind the train but was immobilized by snow. "I decided to go on a passing track to Emigrant Gap and come back against 101's engine in an attempt to pull it free."

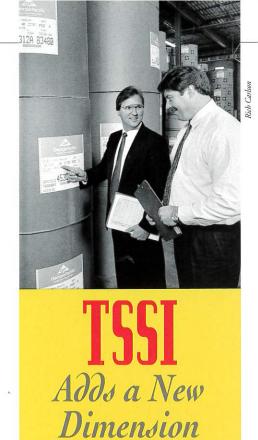
With Engineer Rolly Raymond at the controls, Miller's locomotive followed a rotary that plowed through snow piled five feet high on the tracks. But on their arrival, 101 wouldn't budge "so we went back to Emigrant Gap for another diesel and got back at 8:50 p.m."

"The wind was blowing with the force of a hurricane, 80 to 90 miles per hour. Snow was falling hard. Before we reached the train another slide stopped us. We decided to walk to Crystal Lake to telephone Norden about relief (there was no radio communication)."

After Miller and several train crewmen started out, Raymond and some others decided to hike to two steam-powered rotaries that had gotten stuck nearby and try to fire them up again. "Just after they got to Rotary 7208, a huge slide came down and overturned it. Engineer Raymond was buried and killed."

After contacting Norden, Miller collapsed and was carried to a coal shed, where he stayed until taken out by a relief train with the stranded passengers. He spent almost a week in a San Francisco hospital, suffering from complete exhaustion "with some heart involvement."

His official report ended: "On Wednesday, Jan. 16, about 8:45 p.m., after much valiant work by all concerned, the Sierra Nevada gave up its prisoners as the relief train left Emigrant Gap to bring the stranded passengers out. The wild nightmare was over."



A fast-growing arm of Southern Pacific Lines is giving the railroad a longer reach.

"I see our role as one of a marketing weapon for the railroad, providing a product that can compete against trucks and other competitors," said Rusty Walker, Vice President and General Manager of Transportation Service Systems, Inc. (TSSI), SP's warehouse and distribution ally.

Denver-based TSSI is a wholly-owned subsidiary of Rio Grande Industries, Inc., parent company of SP.

Instead of waging an "either or" battle for business that simply pits rail against trucks, TSSI offers multi-modal service – rail, truck, transloading and warehousing. The package offers the customer single reponsibility from dock to dock, with one through-bill, said Walker, who reports to Vice President-Marketing Mike Uremovich.

"A lot of business goes by truck because the receiver has no rail siding," Walker said.
"The only way SP can compete for that business is to rail it to a center like San Antonio, then send it the rest of the way by truck, such as to Victoria. In addition, TSSI can serve as an off-site warehouse for customers."

To illustrate, TSSI set up a newsprint distribution center in San Antonio. Newsprint that comes in by rail can be stored, then distributed by truck anywhere within a 150-mile radius, said Ed Pajor, Director of Marketing and Sales. "This allows shippers to enjoy the benefits of rail economies regardless of their customers' location."

Such transportation versatility helped TSSI to quickly respond last month when high

water closed the rail line to a big copper mill at San Manuel, Ariz., Walker said. "We simply shifted over to trucking the shipments to a rail connection at Tucson. From there it goes to our Chicago center where it's unloaded and again put on trucks for delivery to customers."

TSSI also "offers a way of working around our rail competitors," Pajor said. Instead of bypassing customers who are apparently captive to another railroad, TSSI goes after them, offering to truck freight to an SP rail access point or a TSSI warehouse.

"We recently won a Texas steel plant's business away from Santa Fe, even though it served the plant directly and our line was some distance away," Pajor said. "Southern Pacific and TSSI jointly put together a package to truck shipments from the plant to the railroad. It gave the shipper two advantages: an alternate carrier, and access to new markets on SP's line."

Rusty Walker, right, Vice President and General Manager of TSSI, checks over a shipment with Ed Pajor, Assistant Vice President-Marketing and Sales.

TSSI also recently took another Santa Fe movement, involving 50 to 75 carloads of paper a month. The paper, from mills in Wisconsin and Minnesota, goes to a large printing company in Torrance, near Los Angeles. An added feature of that business, Walker said, "is that we can also store the paper at our warehouse, freeing up space the customer can use for other purposes."

The foundation of TSSI's concept is SP's 15,000-mile rail system. Any freight going to within 150 miles of those tracks is a TSSI target.

"We're hitting that target, too," Walker said.
"When TSSI started in 1988, we had ware-houses only in Kansas City and Denver.
Now, we're at 30 locations."

However, the company "has changed strategic directions – we no longer run the warehouses ourselves, but contract them out to third parties," except for facilities in Los Angeles, Denver and Midlothian, Texas. "This allows us to concentrate more on marketing, developing business. It's simply a matter of doing what you do best."

TSSI has been doing it better each year. Gross revenues in 1991 were \$3.5 million and rose to \$6.5 million in 1992. TSSI generated \$8 million in rail revenues in 1991 and \$17 million last year. Walker foresees rail revenue of about \$30 million this year.

What's the reason for TSSI's success? "We just offer the customer an attractive, simple shipping package," Walker said. "And customers see us and SP as a unified transportation team, which I think helps quite a lot."

FEEDBACK

Training, Reality Clash

I read with interest the article "Training Tailors Effective Management Style" in the August *Bulletin*. Of particular interest was the part about a "person posing a problem and the manager trying to diagnose the problem without even talking to the person." That's exactly the problem in data processing.

The leadership styles described in the article are good but, again, the completely opposite behavior occurs. Maybe managers in my department haven't attended Mr. Fitzhugh's classes, or if they did he must have been speaking a foreign language.

Loise Proulx Antioch, Calif.

Old Titles Better

A letter writer from Denver complains that the *Bulletin* does not follow "correct gender usage" ("Proper Names, Please," Sept-Dec issue). She believes that brakeperson is a better name than brakeman.

This retired conductor must disagree. Brakeman is an old and honorable title for an old and honorable job; a title anyone can bear with pride. Let's not trivialize this job with a title that

simply draws attention to a difference that ought not to exist.

SP has already trivialized another honorable job, that of trainmaster, who now answers to manager of field operations.

As SP seeks to modernize itself, it should retain some vestige of the worthwhile traditions railroading. That which seems with-it or politically correct today may not always remain so.

Myron R. Turley Redwood City, Calif.

'Splendid Job'

Thanks to Southern Pacific for 45 years of dedicated service to the General Motors assembly plant in Van Nuys, Calif. In those 45 years a close association was formed and SP literally became an extension of our operations. Extreme pressures were exerted for "on time arrivals," which were met with the most courteous, professional and corrective responses. I personally was closely associated with many members of labor and management who are too numerous to name. But my sincere thanks to the entire SP organization for a splendid job during my 19 years as traffic manager.

Ray Lilinthall GM Traffic Manager (Ret.) Van Nuys, Calif.

Signal Performance

As a member of the Pacific Railroad Preservation Association, and the National Railway Historical Society, I very much appreciate any help in preserving railroad-related items. Recently, on the Oregon Division, SP has been replacing Style B semaphore signals. With the assistance of Signal Maintainer Leonard Dunivin, I contacted Signal Supervisor Bill Dewey, who explained the procedure for purchasing a signal. Arrangements were made and with assistance from the Signal Department and Signal Gang #008, the signal I bought was carefully dismantled and transported to its new site. Signal Department personnel were very friendly and helpful and I think their efforts are worthy of commendation.

Steven W. Coons Yoncalla, Ore.

Plèase Write

We appreciate your comments. Please limit letters to 150 words, sign your name and give your location. We reserve the right to edit letters.

Send your letter to:

Jack Martin, Managing Editor,

Southern Pacific Bulletin, One Market Plaza, Room 950, San Francisco, CA 94105.

NEWS BRIEFS

Real Estate, Passenger Corridor Revenues Total \$381 Million

Southern Pacific Lines earned \$381 million in 1992 from real estate and passenger corridor development activity. The revenues included sale of excess real estate, rail lines and under-utilized capacity on routes in California, Texas, Oregon, Arizona and Utah, plus rental income from non-operating properties. All funds earned go to maintain and upgrade SP's facilities and operations, or to debt service and reduction, noted Vice-Chairman Robert F. Starzel. Major passenger corridor sales included the 57-mile West Park Branch to Houston Metro, and the 75-mile Saugus Line between Palmdale and Los Angeles, to the Los Angeles County Transportation Commission

3,000 Miles of Routes Offered

SP is offering nearly 3,000 miles of low-density branch and secondary main line for lease or sale to short line rail operators, as part of system rationalization. In addition, about 900 miles of potential transit corri-

dor routes has been added to the 270 miles already sold or developed in the past three years. "We believe SP can help relieve commuter congestion and lengthy interstate highway travel, and we're confident this is the right move from both a business and social viewpoint," said Vice President-Strategic Development Michael Ongerth: Several areas, including the East Bay near San Francisco, are actively exploring use of SP lines for commuter service.



Conductor Dies in Train Collision

Conductor Camille (Chappy) Chappuis, 29, was killed Jan. 20 in the head-on collision of his train with a Burlington Northern train at Eola, Ill., near Chicago. Chappuis, of Quincy, Ill., had been with SP about two years. Engineer Larry Allen, 43, suffered a broken leg and hip in the accident and was hospitalized in Quincy, where he lives. "Chappy was a very fine young man," commented Midwest Region General Manager Ron Batory. He noted that Chappuis was a volunteer worker on the "Santa Train" that the Midwest Region ran during December (p. 7).

Cogswell Gets Sales Post

Will Cogswell has been appointed Managing Director-National Accounts, for the seven SP sales regions, Vice President-Sales Pete Ruotsi announced. Cogswell, who joined SP in 1974 and most recently served as assistant vice president-quality, will be responsible for developing strategy for major account coverage, account mnagement skills and other programs. "Will's previous experience in sales, operations, the automotive group, and in quality make him exceptionally qualified for this new post," Ruotsi said.

Border "By-Pass" is a First

The Mexico Group has reached an agreement with officials of that country and the U.S. to move loaded refrigerator cars across the border at Eagle Pass without undergoing customs inspection until arrival in Monterrey. Return traffic through Eagle Pass also may defer inspection until arrival at the U.S. destination. "This is the first authorization of its kind to be granted," said Harold Weddle, Assistant Vice President-Sales for the Mexico Group. The initial traffic will be 2,000 carloads of apples, and return movements will include frozen broccoli, cauliflower and asparagus.

Railway Business Women to Meet

The National Association of Railway Business Women will hold its 49th annual convention May 27-30 at the downtown Hyatt in Denver. All SP employees and others interested are invited to attend. Shirley Burman of Sacramento, long-time railroad photographer, will be featured speaker at the May 30 banquet, presenting her "Women

and the American Railroad" slide show, an overview of women's employment and involvement with railroads since 1855. For further information, contact Convention Chairwoman Carolyn Herrera at (303) 595-2567, or Banquet Chairwoman Kate Sydney at (303) 595-2397.

Railroads Getting Second Look

"After decades of congestion, steep oil bills and smog, many governments are realizing it was

a mistake to abandon railways for highways," a new study concludes. Trains, said the Worldwatch Institute in its "State of the World" year-book, are friendly to both taxpayers' pocketbooks and the environment. The report said that during the 1980s, 50 large cities around the globe – including 10 in the U.S. – started commuter rail projects, using existing lines for the most part.

First Export Coal Contract

SP is moving coal for export under its first contract in the overseas market, working with two New York-based coal brokerage companies. The arrangement calls for SP to ship coal from Colorado to the Cahokia Marine Terminal near St. Louis. From Cahokia, the coal travels via barge on the Mississippi River to New Orleans and is transferred to ocean vessels for the trip to Europe. SP is to ship 250,000 metric tons in 1993, said Rick Elston, Managing-Director-Coal. "This opens up a new market for Southern Pacific and a new international market for Colorado coal producers," he said.



MISSION STATEMENT



Southern Pacific Lines' mission is to anticipate and satisfy the requirements of its customers for highly responsive and cost effective transportation and distribution services.

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